

August 3, 2012

**BY ELECTRONIC FILING: submissions@cftc.gov**

Mr. David Stawick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: Eris Exchange Rule Self-Certification of Eris Exchange Rule 614 (Consent to Exchange Jurisdiction) (Eris Exchange Submission #2012-11)**

Dear Mr. Stawick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, (the "Act") and Commission Regulations 40.5(a) and 40.6(a), Eris Exchange, LLC ("Eris Exchange" or the "Exchange") hereby submits to the Commodity Futures Trading Commission (the "Commission") an amendment to the Eris Exchange Rulebook, consisting of the addition of Rule 314 (Consent to Exchange Jurisdiction) and the amendment of Rule 101 (definition of Participant), in order to comply with Regulation 38.151(a) of the new Commission Regulations related to the Designated Contract Market Core Principles, specifically, Core Principle 2 (Compliance with the Rules) (the "Amendments"). In order to meet the effective date of the Regulation 38.151(a) and at the request of the Commission Staff to the Joint Compliance Committee and its members, the Exchange is submitting this Rulebook amendment pursuant to 40.5(a) (Voluntary submission of rules for Commission review and approval) and 40.6(a) (Self-certification of rules). The Amendments will become effective on August 20, 2012.

**Summary of the Amendments**

The purpose of the Rule 314 is to ensure that all persons, prior to accessing the Exchange, consent to the jurisdiction of the Exchange. The addition of Rule 314 to the Exchange Rulebook is, in part, a response to 17 C.F.R. 38.151, which becomes effective on August 20, 2012. Under Rule 314, any person who initiates or executes a transaction on or subject to the Rules of the Exchange, whether directly or through an intermediary, expressly consents to the jurisdiction of the Exchange and agrees to be bound by and comply with the Exchange Rules. Rule 314 also applies to any beneficiary of the initiated or executed transaction.

Additionally, Rule 101 has been amended to conform to Rule 314 by modifying the definition of Participant to include all persons to whom Rule 314 applies.

The Exchange has attached a copy of the Eris Exchange Advisory Notice related to the aforementioned clarifications and amendments, as well as the text of the Rules including all additions and deletions. See Attachments A and B to the Exchange Advisory Notice (the "Advisory"), attached hereto as Attachment 1.

## Conclusion

The Amendments are consistent with the Act, the Core Principles, and the Commission Regulations thereunder. Specifically, the Amendments are consistent with Core Principle 2 (Compliance with Rules) and Regulation 38.151 (Access requirements) related to the requirement that prior to granting any Person access to its markets an Exchange must require the Person to consent to its jurisdiction.

The Exchange certifies that the Amendments and Advisory comply with the Act and the Regulations thereunder. The Amendments and Advisory were provided to the Exchange Practices Committee, the Regulatory Oversight Committee, and the Exchange Participant Committee. There were no substantive opposing views to the Amendments and the Advisory.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.erisfutures.com/rules-notices-policies>.

In the event that you have questions, please contact me at 312-626-2681 or [stephen.humenik@erisfutures.com](mailto:stephen.humenik@erisfutures.com).

Sincerely,



Stephen M. Humenik  
General Counsel and Chief Regulatory Officer

Cc: Division of Market Oversight (via [DMOSubmissions@cftc.gov](mailto:DMOSubmissions@cftc.gov))



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## Advisory Notice

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TO: Eris Exchange Market Participants

FROM: Eris Exchange Control Center and Market Regulation Department

ADVISORY: #12-05

DATE: August 3, 2012

SUBJECT: Notification of Eris Exchange Rule Self-Certification and Commission Approval of amendment to Rule 101 (Definition of Participant) and the implementation of Rule 314 (Consent to Exchange Jurisdiction).

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### Background

This Advisory Notice serves to notify Participants of Eris Exchange, LLC (“Eris Exchange” or “Exchange”) that:

- I. The Exchange is amending Rule 101 and;
- II. The Exchange is implementing Rule 314
- III. The Exchange has filed a notification with the Commodity Futures Trading Commission to amend Exchange Rule 101 and implement Rule 314. **These amendments will be effective on August 20, 2012.**

The purpose of the Rule 314 is to ensure that all persons, prior to accessing the Exchange, consent to the jurisdiction of the Exchange. The addition of Rule 314 to the Exchange Rulebook is, in part, a response to 17 C.F.R. 38.151, which becomes effective on August 20, 2012. Under Rule 314, any person who initiates or executes a transaction on or subject to the Rules of the Exchange, whether directly or through an intermediary, expressly consents to the jurisdiction of the Exchange and agrees to be bound by and comply with the Exchange Rules. Rule 314 also applies to any beneficiary of the initiated or executed transaction.

Additionally, Rule 101 has been amended to conform to Rule 314 by modifying the definition of Participant to include all persons to whom Rule 314 applies.

Amended Rule 101 and Rule 314, are attached in redline format (Attachment A), as well as in final form (Attachment B).

You are receiving this email as you are subscribed to [Notices@erisfutures.com](mailto:Notices@erisfutures.com). If you would like to unsubscribe or if you know of someone that should be on this distribution please contact the [ErisControlCenter@erisfutures.com](mailto:ErisControlCenter@erisfutures.com).



ATTACHMENT A

**RULE 314. CONSENT TO EXCHANGE JURISDICTION**

Any Person initiating or executing a transaction on or subject to the Rules of the Exchange directly or through an intermediary, and any Person for whose benefit such a transaction has been initiated or executed, expressly consents to the jurisdiction of the Exchange and agrees to be bound by and comply with the Rules of the Exchange in relation to such transactions, including, but not limited to, rules requiring cooperation and participation in investigatory and disciplinary processes.

**RULE 101. DEFINITIONS**

“Participant” means a Clearing Firm, Broker Firm, or Participant Firm, any person who is either employed or is an agent of a Clearing Firm, Broker Firm, or Participant Firm (including, but not limited to a Supervised Person, Authorized Trader and/or Authorized Broker), ~~or~~ any person who is authorized to access or utilize Eris Exchange pursuant to the applicable User ID, or any Person initiating or executing a transaction on or subject to the Rules of the Exchange directly or through an intermediary, and any Person for whose benefit such a transaction has been initiated or executed. The term Participant includes Authorized Broker(s), Authorized Trader(s), Broker Firm(s), Clearing Firm(s), or Supervised Person(s).



## **RULE 314. CONSENT TO EXCHANGE JURISDICTION**

Any Person initiating or executing a transaction on or subject to the Rules of the Exchange directly or through an intermediary, and any Person for whose benefit such a transaction has been initiated or executed, expressly consents to the jurisdiction of the Exchange and agrees to be bound by and comply with the Rules of the Exchange in relation to such transactions, including, but not limited to, rules requiring cooperation and participation in investigatory and disciplinary processes.

## **RULE 101. DEFINITIONS**

“Participant” means a Clearing Firm, Broker Firm, or Participant Firm, any person who is either employed or is an agent of a Clearing Firm, Broker Firm, or Participant Firm (including, but not limited to a Supervised Person, Authorized Trader and/or Authorized Broker), any person who is authorized to access or utilize Eris Exchange pursuant to the applicable User ID, or any Person initiating or executing a transaction on or subject to the Rules of the Exchange directly or through an intermediary, and any Person for whose benefit such a transaction has been initiated or executed. The term Participant includes Authorized Broker(s), Authorized Trader(s), Broker Firm(s), Clearing Firm(s), or Supervised Person(s).